

**MINUTES**  
**MICHIGAN STATE TRANSPORTATION COMMISSION MEETING**  
**February 28, 2008**  
**Lansing, Michigan**

Meeting noticed in accordance with Open Meetings Act, Public Act 267 of 1976.

Present:                Ted B. Wahby, Chair  
                             Linda Miller Atkinson, Vice Chair  
                             Maureen Miller Brosnan, Commissioner  
                             James S. Scalici, Commissioner

Also Present:        Kirk T. Steudle, Director  
                             Jackie Shinn, Chief Deputy Director  
                             Larry Tibbits, Chief Operations Officer  
                             Leon Hank, Chief Administrative Officer  
                             Frank E. Kelley, Commission Advisor  
                             Marneta Young, Commission Executive Assistant  
                             Jerry Jones, Commission Auditor, Office of Commission Audit  
                             Patrick Isom, Attorney General's Office, Transportation Division  
                             John Friend, Bureau Director, Highway Delivery  
                             John Polasek, Bureau Director, Highway Development  
                             Myron Frierson, Bureau Director, Finance and Administration  
                             Susan Mortel, Bureau Director, Transportation Planning  
                             Rob Abent, Bureau Director, Aeronautics and Freight Services  
                             Tim Hoeffner, Administrator, Intermodal Policy  
                             Sharon Edgar, Administrator, Bureau of Passenger Transportation  
                             Melvin Williams, Administrator, Freight Services and Safety Division

Excused:             Jerrold M. Jung, Commissioner  
                             James R. Rosendall, Commissioner

A list of those people who attended the meeting is attached to the official minutes.

Chair Wahby called the meeting to order at 9:05 a.m. in the Bureau of Aeronautics Auditorium in Lansing, Michigan.

**I.        COMMISSION BUSINESS**

Commission Minutes

Chair Wahby entertained a motion for approval of the minutes from the State Transportation Commission meeting of January 31, 2008.

Commissioner Atkinson questioned page 15 of the minutes (Letting Exceptions Agenda...response to the Highways For Life pilot project question asked by Commissioner Brosnan) as to whether the order of the minutes as written reflected the actual order of the meeting as held.

Commissioner Brosnan stated that part of the confusion may have arisen because she asked the question out of order.

Mr. Frierson stated that the question was asked when he was presenting information on Exhibit A-3 and when Mr. Polasek began his presentation on Exhibit A-2, he added additional information.

Commissioner Atkinson asked if it is his impression that the draft minutes actually records what occurred.

Mr. Frierson answered that the question was asked under one segment, he responded by providing information and then Mr. Polasek gave some additional information later on.

Director Steudle, for clarification, asked Chair Wahby if the presentations were done slightly out of order as opposed to the way the minutes are; Mr. Frierson presented his exhibits continuously and then Mr. Polasek's. However when the minutes were put together they were done according to the order of the agenda.

Commissioner Atkinson stated that this was her understanding and asked if the minutes accurately reflect that the discussion involving Exhibit A-3 occurred before the discussion involving Exhibit A-2.

Director Steudle suggested we change the minutes so that they show Exhibit A-3 happening before Exhibit A-2, then they chronologically follow the order of the meeting.

Commissioner Atkinson said that would be fine.

Moved by Commissioner Atkinson, with support from Commissioner Brosnan, to approve the minutes of the Commission meeting of January 31, 2008 with the change as discussed above. Motion carried.

## **II. DIRECTOR'S REPORT – DIRECTOR KIRK T. STEUDLE**

Director Steudle acknowledged the Partner in Safety Award presented to the Commission by the Michigan Center for Truck Safety *for making special efforts to promote the Center's "Truck SMART" program and for incorporating truck safety into Michigan's overall traffic safety efforts*". Commissioner Scalici, who is a member of the Truck Safety Commission, accepted this award on behalf of the STC. As a member of the Commission, Commissioner Scalici had the opportunity to not only influence policy but to also keep up on what is happening in the area of truck safety. Part of why we received this award is because of the "Are You Truck Smart?" campaign which was spearheaded by Commission Advisor, Frank Kelley. He saw an opportunity to utilize our Welcome Centers and the new flat paneled monitors that talk about safety, transportation and tourism, and was very instrumental in getting them installed. These monitors have been used to promote truck safety. There are a series of scenarios where a driver of a car may get into trouble by not sharing the road with trucks. All those panels and video feed were ultimately installed at no cost to the state.

Director Steudle thanked Mr. Kelley and Commissioner Scalici for their hard work and great representation in what they are doing.

Director Steudle's report focused on:

### **Economic Stimulus Package**

Yesterday, the Governor, Chair Wahby and Director Steudle attended a press conference announcing the MDOT portion of the Governor's Economic Stimulus Package, which provides \$150 million worth of road, bridge preservation and safety projects. There are 34 projects that are advancing from 2009-2012 to 2008 (a map and list has been given to the commission members). The premise for selecting these projects was generated at our local region and TSC levels. We asked them specifically which projects they had that were in the Five Year Plan that they can advance into construction lettings in June, July and August (2008) so that we can begin work in July, August and September. All total this creates about 2,100 jobs this summer. These projects are already in the Five Year Plan so they've already been through the local consultation process, through the MPO's and the rural task forces—we are simply advancing them from an out-year into this year.

Director Steudle thanked Chair Wahby for attending the press conference.

### **Transportation Task Force Team**

Public Act 221 of 2007 creates a Task Force to "review the adequacy of surface transportation and aeronautics service provision and finance" in Michigan.

On February 1<sup>st</sup>, the Governor appointed 9 citizens, representing 8 economic sectors to the Transportation Funding Task Force and are awaiting approval by the Michigan Senate: Cindy B. Elliott (Midland, manufacturing), Dennis Gillow (Lake City, labor), John James (Farmington Hills, transportation), Ann Jousma-Miller (Gladstone, agriculture), Michael Nystrom (East Lansing, At large), Roger Salo (Plymouth, aviation), Richard Studley (Grand Ledge, commerce), Peter Varga (Grand Rapids, public transit), and Susan Zehnder (Frankenmuth, tourism).

Rounding out the Task Force are the members from the Michigan House and State Senate: Senator Judson Gilbert II and Senator Glenn S. Anderson (majority and minority leader of Senate, or designees), Representative Pam Byrnes and Representative Philip J. LaJoy (speaker and minority leader of House, or designees). The law specified appointments may not include employees of MDOT, a county, county road commission, village, city or township.

Governor Granholm also appointed a Citizens' Advisory Committee. Seventeen organizations, agencies, and associations in transportation and construction sector and 1 member of the general public were appointed (these appointments are NOT subject to advice and consent of the Michigan Senate). The Citizens' Advisory Committee will receive and comment on reports and recommendations of its subcommittees before they go to the Task Force: Linda Atkinson (Channing, At large), Boyd Blashfield (Bloomfield Hills, Michigan Trucking Association), Gloria Combe (Northville, Michigan Railroads Association), Daniel DeGraaf (Dewitt, Michigan Concrete Paving Association), Gretchen

Driskell (Saline, Michigan Municipal League), Michael Fikes (Grand Blanc, Michigan Building and Construction Trades Council), William Gehman (Grand Ledge, Michigan Business Aviation Association), Russell Gronevelt (Plymouth, American Council of Engineering Companies of Michigan), Kari Hughston (McBain, Michigan Farm Bureau), James Klett (Dowagiac, Asphalt Paving Association of Michigan), James Koslosky (Grand Rapids, Michigan Association of Airport Executives), Keith Ledbetter (Lansing, Michigan Infrastructure and Transportation Association), William McFarlane (Ypsilanti, Michigan Townships Association), John Niemela (Belding, County Road Association of Michigan), Sylvester Payne (Freeland, Michigan Public Transit Association), Steward Sandstrom (Kalamazoo, Michigan State Chamber of Commerce), Kirk T. Steudle (South Lyons, Michigan Department of Transportation), and Robert Struck (Marquette, Michigan Association of Counties). The Michigan Tourist Association is no longer an organization. We are currently working to amend the law to identify the tourist industry trade association.

The remaining calendar of events is as follows: March 1<sup>st</sup>-MDOT needs to recommend the work program to the Task Force; March 7<sup>th</sup>-the first meeting will be held in the Aeronautics Auditorium (Tim Hoeffner, Administrator, Intermodal Policy, is coordinating the MDOT staff support efforts); October 31<sup>st</sup>-the Task Force publishes preliminary data, findings, and recommendations; the Task Force makes preliminary recommendations on pilot programs.

Director Steudle asked for questions; none were forthcoming.

Chair Wahby asked Director Steudle to comment on where we were when we started with the preservation program and where we are now.

Director Steudle directed his comments toward pages 52-53 (aggregate of freeway and non-freeway) of the document. From 2000-2002 the pavement condition was at 75% good, and this was at the point that we initiated Preserve First. After having leveled off at 75%, the Preserve First Program (which said “fix it first”) allowed us to get to the 92% good. Without that Program there is no way that we would be in the situation where we are with the good pavements, and frankly we would be seeing a lot more major potholes on a lot more major roads.

#### Final 2008-2012 Five Year Transportation Program – Denise Jackson, Administrator Statewide Planning

The total revenue available for the 2008-2012 Transportation Program is estimated at \$8.56 billion. The Highway Program revenues have been updated to include \$150 million in bonding for the economic stimulus initiative. The Highway Revenue is estimated at \$6.32 billion. Revenues for Bus, Marine, Rail and Aviation Programs remain unchanged, totaling \$2.24 billion.

The Program remains constrained to the Revenue estimate of \$8.56 billion in anticipation of being able to bond up to the \$150 million so there are no changes in investments to the Multi-modal Program. The Highway Program investment is now \$6.306 billion because of the economic stimulus projects.

The annual Preservation investment ranges from a high of \$1.477 billion in 2008 to a low of \$1.140 billion in 2011. We have also anticipated being able to backfill those projects that were advanced so we do have anticipated program sizes in years 2009-2012. When we update our actual program through the Call for Projects process, we will be able to come back to the Commission with more exact numbers for 2009-2012.

MDOT's Highway Program continues to provide economic benefits to the state. The Economic Benefits Study conducted by the University of Michigan identifies that one job is supported for every \$70,500 of investment. Therefore, approximately 17,900 jobs are supported annually during this Five-Year Program.

Pending any questions, Ms. Jackson asked for approval of the 2008-2012 Five Year Transportation Program to meet the Appropriations Bill requirement by presenting the Program to the legislature by March 1<sup>st</sup>. They would then post the document to the web for further public information.

No questions were forthcoming.

Chair Wahby entertained a motion for the approval of the 2008-2012 Five Year Transportation Program. Motion was made by Commissioner Brosnan and supported by Commissioner Atkinson to approve the Program.

### III. **OVERSIGHT**

#### Commission Agreements (Exhibit A) – Myron Frierson

Mr. Frierson presented information on 23 agreements. Pending any questions, Mr. Frierson asked for approval of Exhibit A.

Commissioner Atkinson asked what a shoe-fly track is (Item #10; Contract #2008-8030).

Mr. Frierson deferred to Mr. Polasek for an answer.

Mr. Polasek answered that it is a temporary run-around where we move the railroad over so we can build a bridge so we can put the railroad track back down.

Commissioner Atkinson clarified that it is a temporary construction in order to facilitate the work.

Mr. Polasek answered yes.

No other questions were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Atkinson and supported by Commissioner Brosnan to approve Exhibit A. Motion carried on a unanimous voice vote.

Bid Letting Pre-Approvals (Exhibit A-1) – Myron Frierson

Mr. Frierson gave a brief recap of the February 1, 2008 letting: 44 State projects with a total engineer's estimates of \$73.9 million were let. The low bids received on these projects totaled \$70.5 million.

As of September 17, 2007, it was estimated that 341 State projects with construction costs totaling \$696.9 million would be let during the 2008 fiscal year. Through February of 2008, 176 State projects with engineer's estimates of \$302.8 million were let, representing 43.5% of the total amount projected to be let this fiscal year. In comparison, for February 2007, 201 State projects with total engineer's estimates of \$482.44 million were let, representing 53.3% of the fiscal year 2007 projection. The department's letting schedule has proceeded as planned. Leading up to and including the February letting, 100.7% of the construction cost estimate of projects scheduled for this period has been let. In comparison for this same period through February 2007, 91.6% of the construction cost estimate of projects scheduled for the year was let.

There are currently 55 State projects with engineer's estimates totaling \$178.4 million scheduled to be let on March 7, 2008. For the total letting there will be 96 projects valued at \$263 million

Pending any questions, Mr. Frierson asked for approval of Exhibit A-1; none were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Scalici and supported by Commissioner Brosnan to approve the February bid letting. Motion carried on a unanimous voice vote.

Letting Exceptions Agenda (Exhibit A-2) – John Polasek

Mr. Polasek provided information on 2 State projects that were over the engineers' estimates and are accompanied by a justification memo (1 is a single bid at 4.5%, and 1 at 10%). Pending any questions, Mr. Polasek asked for approval of Exhibit A-2.

No questions were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Atkinson and supported by Commissioner Brosnan to approve Exhibit A-2. Motion carried on a unanimous voice vote.

Contract Adjustments (Exhibit B) – John Friend

Mr. Friend provided information for 6 MDOT and 5 Local projects. There was a slight revision to the verbiage (at the request of Commission Audit) of Extra Item #2008-035 (1.20 miles of hot mix asphalt construction,...on the campus of MSU in the City of East Lansing, Ingham County). This is called the Farm Lane project, a local agency project, but the department has been asked to do the construction administration on it. During the construction phase they encountered an old dump that required a significant amount of non-hazardous contaminated material removal—this accounts for the size of the extra. This will be just about entirely funded by 100% MSU funds (an earmarked project that

was capped). Under CM 4, midway paragraph 2, it originally said the cap was \$2 million (now is more like \$1.5 million now) and should now read “The funding for the project...and the state amount is capped *and the project has reached the cap*”. Pending any questions, Mr. Friend asked for approval of Exhibit B.

No questions were forthcoming.

Chair Wahby entertained a motion. Motion was made by Commissioner Brosnan and supported by Commissioner Scalici to approve Exhibit B. Motion carried on a unanimous voice vote.

#### IV. **PRESENTATIONS**

##### Tribal Affairs Annual Report – Margaret Barondess, Manager, Planning, Environmental Section

Ms. Barondess announced the retirement of Dave Ruggles and introduced his successor, Mr. Stuart Lindsey.

The highlight of the year occurred when MDOT, FHWA, the Bureau of Indian Affairs (BIA), and the tribes took part in Michigan’s first Intergovernmental Transportation Meeting in April 2007. The group reached consensus on goals for operations, transportation planning, and the environment. The underlying theme of each discussion was a desire for more consistent and timely communication. Out of this meeting we now have a Planning Committee that is dedicated to arranging an agenda for the annual meeting.

Ms. Barondess asked for questions; none were forthcoming.

#### V. **PUBLIC COMMENTS**

Chair Wahby asked if any member of the audience wanted to address the Commission.

Director Steudle announced the retirement of the current Bay Region Engineer, Terry Anderson, and congratulated Tony Kratofil on his appointment as the new Bay Region Engineer. Tony will begin his duties on March 23, 2008.

No other audience comments were forthcoming.

Chair Wahby asked if any Commissioner wanted to address the Commission; none were forthcoming.

Chair Wahby announced that the Commission needed to go into a closed meeting for the purpose of discussing pending litigation. A roll call vote is required.

Chair Wahby entertained a motion. Motion was made by Commissioner Atkinson and supported by Commissioner Scalici to go into a closed meeting. Mr. Kelley called the roll; all answers were affirmative. Motion carried on a unanimous roll call vote.

Chair Wahby announced that the meeting will be adjourned after the Commissioners return from the closed meeting.

### **ADJOURNMENT**

Commissioners returned from closed meeting at 9:55 a.m. There being no further business to come before the Commission, Chair Wahby entertained a motion. Motion was made by Commissioner Atkinson and supported by Commissioner Brosnan for adjournment. Motion carried on a unanimous voice vote. Chair Wahby declared the meeting adjourned at 9:55 a.m.

The next full meeting of the Michigan State Transportation Commission will be held on March 27, 2008, in the 1<sup>st</sup> floor Bureau of Aeronautics Auditorium in Lansing, Michigan, beginning with a **joint** meeting with the Aeronautics Commission commencing at the hour of 9:00 a.m.; followed by the **regular** Transportation Commission meeting in the 2<sup>nd</sup> floor Conference Room, commencing at the hour of 10:00 a.m.

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Frank E. Kelley  
Commission Advisor